



U.S. Immigration  
and Customs  
Enforcement

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# News Release

## **Global commodity trading firm convicted in Iraqi Oil-for-Food case**

*-- ICE investigation results in guilty plea by Trafigura AG; agreement to pay nearly \$20 million --*

VICTORIA, TX – Trafigura AG, a Swiss corporation, was convicted of falsely representing to Houston area energy companies that a total of more than 500,000 barrels of imported Iraqi oil sold to them on two occasions in 2001 had been obtained in compliance with the Oil-For-Food Program, United States Attorney Don DeGabrielle announced today.

The corporation pleaded guilty at a hearing held late this morning to two counts of entry of goods into the United States by means of false statements. United States District Judge John Rainey convicted the corporation and thereafter sentenced it in accordance with the terms of a plea agreement.

Trafigura AG was ordered to immediately pay an \$8.0 million fine and to forfeit to the United States \$9.9 million, which represents the proceeds of the oil shipments sold to two U.S. energy companies, which was falsely represented by the corporation as having been obtained with all the necessary approvals and in compliance with United Nations Resolution 986. The plea agreement also stipulates that the company pay an additional \$1.9 million in civil penalties to the government.

“Justice is served by the conviction and sentence imposed in this case and sends a message loud and clear – the consequences are severe for representing compliance with the Oil-for-Food Program when the company clearly lacks reasonable cause to believe that statement is true,” said United States Attorney Don DeGabrielle.

“I applaud the work of our ICE agents who successfully investigated this criminal act,” said Julie L. Myers, Assistant Secretary for U.S. Immigration and Customs Enforcement (ICE). “Companies such as Trafigura A.G., which seek to profit in violation of our laws, will be held accountable. Today’s plea agreement reflects the severity of their crime and our commitment to enforcing the law.”

"The Treasury's Office of Foreign Assets Control will continue to assist the investigation and prosecution of individuals and companies found to be in violation of the Oil for Food sanctions program," said Barbara Hammerle, Acting OFAC Director. "The close cooperation among OFAC, the Justice Department and Immigration and Customs Enforcement was pivotal in today's action." This case was prosecuted by Assistant United States Attorney Melissa Annis.

# ICE #

*U.S. Immigration and Customs Enforcement (ICE) was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.*